

The Legislative Fiscal Division Presents an Agency Profile of:

The Montana Arts Council

Contact: Micaela Kurth, Fiscal Analyst

Rm 110P, State Capitol

Phone: (406) 444-4581

E-mail: mkurth@mt.gov and website: www.leg.mt.gov/css/fiscal

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Definition of Terms

Agency Description

The Montana Arts Council (MAC) is authorized by Title 22-2-101, MCA to assist public and private institutions with artistic and cultural activities. The council encourages participation in, and appreciation of, the arts. The council fosters interest in the state's cultural heritage, expands state cultural resources, and supports freedom of artistic expression through ongoing programs and projects. The council administers the Cultural and Aesthetic Project grants and other grants approved by the legislature, and makes recommendations to the legislature on arts related issues.

How Services are Provided

Promotion of the Arts

- Grants funded through General Appropriations Act and offered to schools, artists, and cultural organizations include:
 - Artists in Schools/Communities Grants
 - Teacher Exploration in the Arts Grants
 - Public Value Partnership Grants
 - Professional Development Grants
 - Opportunity Grants
- Grants funded through Cultural and Aesthetic Trust
 - MAC administers the Cultural and Aesthetic Trust grant program. Interest on the coal tax trust is used to fund the grants.
 - HB 9 includes funding for projects in the arts, history, humanities, or other cultural mediums
- Folk and Traditional Arts Master/Apprenticeship Program grants
- Grants funded with federal National Endowment for the Arts funds
 - Public value partnership grants provide operating support grants for Montana non-profit arts organizations

Services and Programs

MAC offers a variety of services to artists in Montana. They include:

- Arts Education Artist Registry—the registry identifies professional working artists and touring organizations for the artist-in schools
- Arts Education Hotline—toll free hotline to get help concerning issues and information on arts education in Montana
- MAC's Leadership Institute—Professional development to arts leaders through workshops, initiatives, and consultation
- Entrepreneurial initiatives—training for individual arts focusing on marketing, sale, and legal issues

How Services are Provided, continued

- Governor's Arts Awards—Biennial award to four Montanans for their distinguished service in the arts
- Montana Poet Laureate— Provides process for Governor to select the poet laureate every two years
- Percent-for-Art— acquires art for state buildings

Communication Services

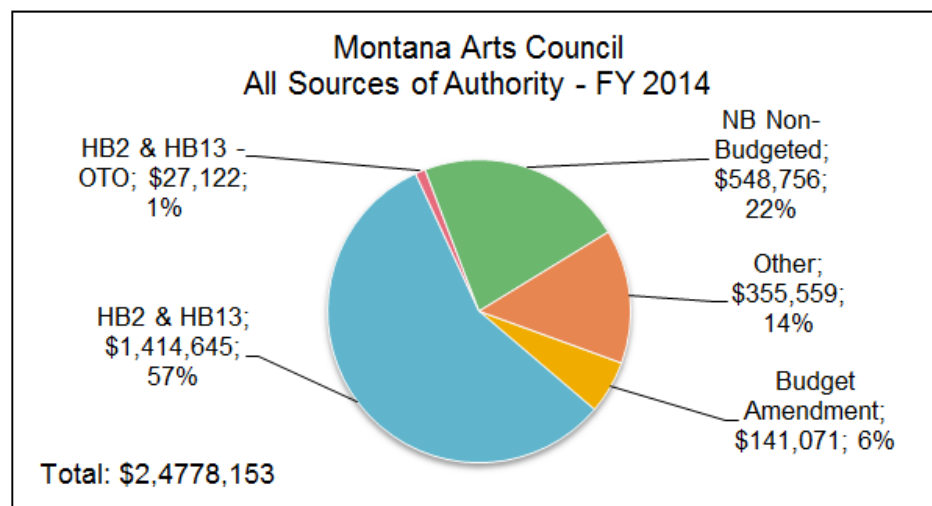
MAC offers a number of communication methodologies for those interested in additional information on the arts in Montana. They include:

- Website Services
- State of the Arts newspaper
- Listservs
- Blog

Sources of Spending Authority

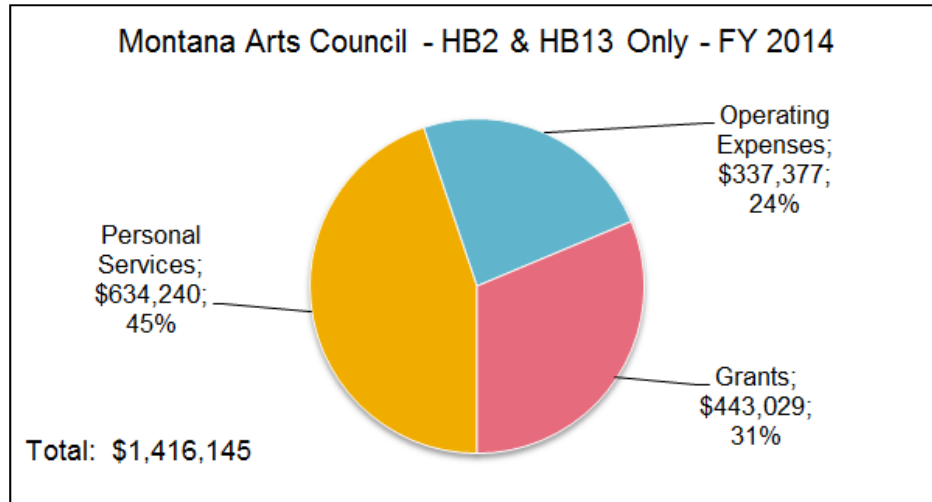
The following chart shows the sources of authority for the Montana Arts Council. The agency received just over one-half of its spending authority from HB 2 & HB 13. The remaining sources of authority include:

- Non-budgeted, which may be expended without a legislative appropriation; this includes other special revenue sources and permanent trust funds
- HB 9, the Cultural and Aesthetic Project Grants appropriation bill
- Administrative Appropriation
- HB 2 & HB 13 OTO, for the arts in education grant program
- Budget Amendment, used for about 5.7% of its total FY 2014 expenditures



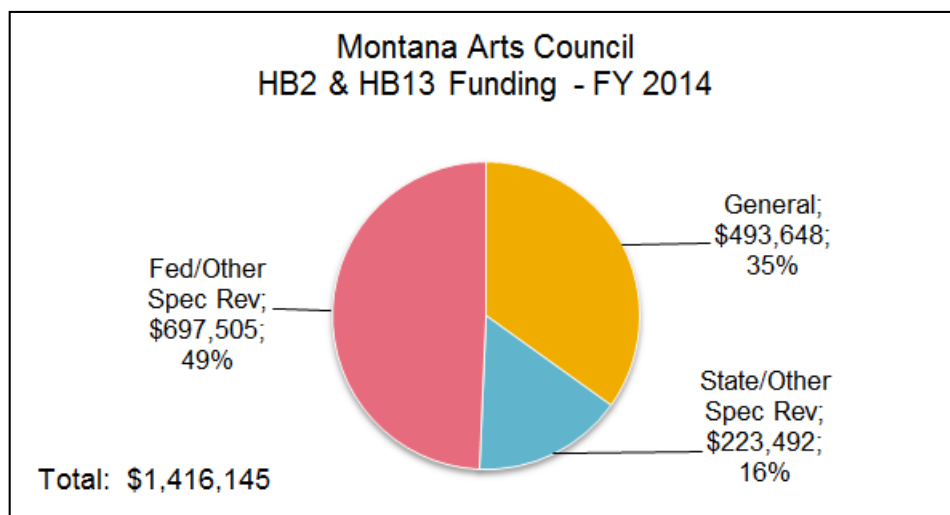
Expenditures

The next chart explains how the HB 2 & HB 13 authority is spent in FY 2014. HB 2 & HB 13 expenditures in FY 2014 totaled \$1,416,145, with personal services and grants accounting for about three-fourths of these total expenditures. This chart matches the agency chart found in the 2017 Budget Analysis.



Funding

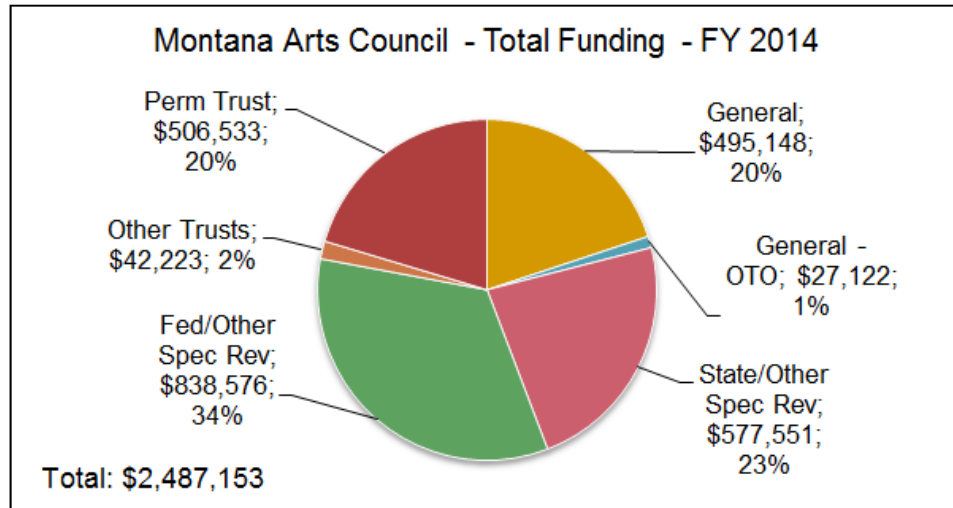
The following charts show the agency's HB 2 & HB 13 funding authority by fund type and all sources of its total funding authority.



Funding, cont.

Federal funds comprise the largest funding source for HB 2 & HB 13 spending, contributing almost one-half of the agency's HB 2 & HB 13 funding in FY 2014. Federal funds are from the National Endowment for the Arts.

State general fund is the second largest funding source for HB 2 & HB 13 and state special revenue is third largest. State special revenue in HB 2 & HB 13 comes from the interest earnings from the Cultural and Aesthetic (C&A) trust fund and supports administrative costs related to the C&A grants and a portion of the Folklife program.



Looking at total funding by fund type, federal funds still support the largest portion of the total agency budget. The second largest contributor comes from state special revenue, followed by permanent trust funds, general fund (including general OTO), and private funds (other trusts in the pie chart) contributing the smallest proportion of funding.

How the 2015 Legislature Can Effect Change

In order to change expenditure levels and/or activity, the legislature might address legislation:

- Governing the existence, definition, and funding of the Montana Arts Council
- Impacting the council staff such as consultation with and support of local communities; applying for, accepting and expending grant funds; and providing services for the educational community
- Relating to the Cultural Trust

The legislature is less likely to control:

- Federal legislation or funding for the arts
- Initiatives or legislation responding to citizen action
- Growth in web-based or long distance access to information and/or grant applications, or other changes in technology that serves the art community
- The number of Montana citizens needing this service from year to year
- Economic changes related to costs of utilities, rent, and transportation

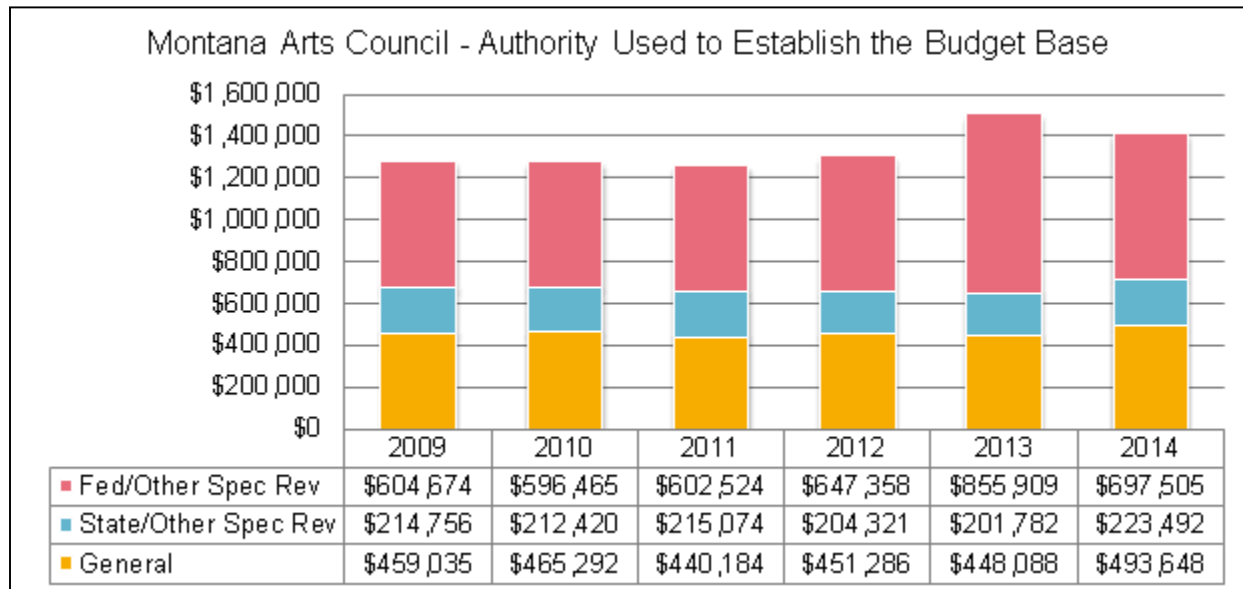
Major Cost Drivers

This table reflects the service levels provided to Montana's schools, artists, arts and cultural organizations, and other entities in various programs of the Montana Arts Council.

ELEMENT	2012	2014	Significance of Data
Grant programs	7	6	Restructured programs to better serve cultural and artistic community
Conferences, other programs, and services	28	29	More online services provided
Arts Education - services to communities	152	271	Greater partnerships with rural arts groups - more schools served in fewer metro areas
Arts Education - # children served	29,800	27,416	
Arts Education - rural programs - # grants	41	45	Reflects outreach to eastern Montana
Arts Education - # counties served	45	45	
MAC grants and awards - # of grants	109	111	Increased need, workload, and grant money
MAC grants and awards - total \$ awarded	\$ 483,555	\$ 508,411	
C&A grants funded	83	81	Less funding, fewer awards
C&A grant awards	\$ 666,299	\$ 758,650	Increased funding - interest rates up
C&A amount requested	\$2,328,862	\$1,915,339	Limited funding = scaled back requests
Workforce Development - MT Artrepreneurial Program			
# Trained	94	75	Started in FY 2010 with largely private funding
# of events	83	48	
Federal \$ spent	\$ 16,783	\$ 63,002	For FY 2012 the private funding includes federal USDA funding of \$38,161
Private \$ spent	\$ 89,890	\$ 42,218	

Funding/Expenditure History

The table shows the six year funding history for the agency. Funding on this table reflects funding included in the HB 2 budget base. Funding from budget-amended funds and one-time-only appropriations are excluded in this table.



Major Legislative Changes in the Last Ten Years

The 2011 Legislature continued the 2011 biennium Governor-ordered reductions into the 2013 biennium reducing general fund \$22,700.

The 2009 Legislature approved a one-time-only appropriation from the American Reinvestment and Recovery Act of 2009 totaling \$291,000 for sub-grants to eligible nonprofit organizations, statewide projects, and administration.

The 2007 Legislature added \$150,000 general fund to restore funding eliminated in the 2003 session. The funding was earmarked for arts education, arts business services operations, and grants to local communities.

Agency contact information:

Montana Arts Council
 PO Box 202201
 830 N Warren Street, First Floor
 Helena MT 59620-2201
 Phone 406.444.6430
<http://www.art.mt.gov/default.asp>